

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6172

BILL NUMBER: SB 66

NOTE PREPARED: Jan 26, 2015

BILL AMENDED: Jan 15, 2015

SUBJECT: Investigational Treatments

FIRST AUTHOR: Sen. Charbonneau

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & local

Summary of Legislation: This bill permits use of investigational treatments for certain individuals with terminal illnesses.

Effective Date: July 1, 2015.

Explanation of State Expenditures: The bill is silent with regard to the provision of coverage for the routine cost of care when the investigational drug, biological product, or device may be provided outside the parameters of a clinical trial for persons covered by the Medicaid program or group insurance for public employees. It also allows the manufacturer to require the patient to pay the costs of or associated with the manufacture of the investigational drug, biological product, or device. Depending on circumstances, this provision could expand the number of cases that would require the provision of routine cost of care for the Medicaid program and group insurance for public employees.

Current statute requires that Medicaid and group insurance for public employees provide coverage for the routine cost of care incurred in the course of a clinical trial. The cost of the investigational drug, biological product, or device that is under evaluation in a clinical trial is not covered.

Explanation of State Revenues: *Penalty Provision:* The bill establishes a new Class B misdemeanor for an official, employee, or agent of the state who recklessly, knowingly, or intentionally attempts to prevent or prevents an eligible individual from receiving an investigational treatment. If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class B misdemeanor is \$1,000. However, any additional revenue would likely be small.

Explanation of Local Expenditures: *Penalty Provision:* A Class B misdemeanor is punishable by up to 180 days in jail.

Explanation of Local Revenues: *Penalty Provision:* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

State Agencies Affected: Family and Social Services Administration, All.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: IC 12-15-5-9.2; IC 5-10-8-15.

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